

Document:

O.C.G.A. § 40-9-37

[< Previous](#)[Next >](#)**O.C.G.A. § 40-9-37**[Copy Citation](#)

Current through Act 6 of the 2025 Regular Session of the General Assembly but not including corrections and changes made by the Office of Legislative Counsel.

[Official Code of Georgia Annotated](#) [TITLE 40 Motor Vehicles and Traffic \(Chs. 1 — 16\)](#) [CHAPTER 9 Reporting Accidents; Giving Proof of Financial Responsibility \(Arts. 1 — 5\)](#) [Article 2 Reporting Accidents; Giving Security for Damages \(§§ 40-9-30 — 40-9-41\)](#)

40-9-37. Requirements for liability insurance policies; erroneous information as to insurance.

(a) No liability insurance policy shall be effective under Code Section 40-9-34 unless issued by an insurance company authorized to do business in this state, except as provided in subsection (b) of this Code section, and unless such policy or bond is subject to limits, exclusive of interest and costs, of not less than the amounts specified in subparagraph (a)(1) (A) of Code Section 33-7-11.

(b) No policy shall be effective under Code Section 40-9-34 with respect to any vehicle which was not registered in this state or which was registered elsewhere than in this state at the effective date of the policy or the most recent renewal thereof unless the insurance company issuing such policy is authorized to do business in this state, or if such company is not authorized to do business in this state, unless it shall execute a power of attorney authorizing the commissioner to accept service on its behalf of notice or process in any action upon such policy arising out of such accident.

(c) Whenever erroneous information is given to the department with respect to the matters set forth in paragraph (1), (2), or (3) of Code Section 40-9-34, the department shall take appropriate action as provided in Code Section 40-9-32 after receipt of correct information with respect to such matters.



History

Ga. L. 1951, p. 565, §§ 5, 9; Ga. L. 1956, p. 543, § 10; Ga. L. 1957, p. 124, §§ 1, 5; Ga. L. 1958, p. 694, §§ 1, 5; Ga. L. 1964, p. 225, § 5; Code 1933, § 68C-307, enacted by Ga. L. 1977, p. 1014, § 1; Ga. L. 1982, p. 1751, § 2; Ga. L. 1983, p. 3, § 29; Ga. L. 1983, p. 938, § 3; Ga. L. 2000, p. 1516, § 3.

▼ Annotations

Notes

Editor's notes.

Ga. L. 1982, p. 1751, § 2, effective July 1, 1982, amended former Code 1933, § 68C-307, the basis for this Code section. Since the 1982 Act did not specifically amend this Code section, and since the Code of Georgia of 1933, as amended, stood repealed on November 1, 1982 (see Code Section 1-1-10(a)(1)), no effect could be given to the 1982 amendment after that date. The provisions of the 1982 Act were reenacted in substantially similar form as an amendment to this Code section by Ga. L. 1983, p. 3, § 29.

JUDICIAL DECISIONS

Clause exempting company from liability if insured avoided arrest. —

Clause in an automobile liability policy exempting insurance company from liability if the automobile is involved in an accident occurring while insured is attempting to avoid apprehension or arrest is void as against public policy, but only to the extent of insurance required by the compulsory insurance law at the time of the collision. *Cotton States Mut. Ins. Co. v. Neese*, 254 Ga. 335, 329 S.E.2d 136, 1985 Ga. LEXIS 692 (1985).

Ga. L. 1951, p. 565 did not require total coverage for any damages that may be imposed by law to any class of persons. *Fitzgerald v. Universal Underwriters Ins. Co.*, 132 Ga. App. 610, 208 S.E.2d 619, 1974 Ga. App. LEXIS 1760 (1974).

Named driver exclusion upheld. —

No language in O.C.G.A. § 40-9-37 prohibited named driver exclusion disallowing coverage for insured's spouse, nor was the contested provision violative of public policy, such that the trial court's conclusion that provision was unenforceable was erroneous.

Progressive Preferred Ins. Co. v. Browner, 209 Ga. App. 544, 433 S.E.2d 401, 1993 Ga. App. LEXIS 935 (1993).

"Business use" exclusion void. —

Automobile policy exclusion for the insured using a vehicle "while employed or otherwise engaged in any business" was void as against public policy to the extent of the mandatory monetary requirements in effect at the time of the collision. Federated Mut. Ins. Co. v. Dunton, 213 Ga. App. 148, 444 S.E.2d 123, 1994 Ga. App. LEXIS 537 (1994).

Rental cars. —

Even though a car rental agreement stated that coverage limits were those imposed by the state financial responsibility law where the accident occurs, the rental company could not claim entitlement to such limits when the company failed to comply with the requirements that the company's limitations of coverage be specified in the company's self-insurance plan filed with the commissioner of insurance. Ryan v. Boyd, 911 F. Supp. 524, 1996 U.S. Dist. LEXIS 490 (M.D. Ga. 1996).

Research References & Practice Aids

Cross references.

Amount of insurance coverage required as prerequisite to operation of motor vehicle, § 33-34-4.

RESEARCH REFERENCES

Am. Jur. 2d.

7 Am. Jur. 2d, Automobile Insurance, § 24 et seq.

ALR.

Automobile liability insurance, 13 A.L.R. 135; 19 A.L.R. 879; 23 A.L.R. 1472; 28 A.L.R. 1301; 41 A.L.R. 507.

Automobile insurance: policy obtained by mortgagee or conditional vendor of car as other or additional insurance within clause against such insurance in policy obtained by mortgagor or conditional vendee and vice versa, 76 A.L.R. 1174.

Insurance covering damage to automobile by accident or collision, 105 A.L.R. 1426.

Policy provision extending coverage to comply with financial responsibility act as applicable to insured's first accident, 8 A.L.R.3d 388.

Automobile liability insurance: what are accidents or injuries "arising out of ownership, maintenance, or use" of insured vehicle, 15 A.L.R.4th 10.

Combining or "stacking" uninsured motorist coverages provided in policies issued by different insurers to same insured, 21 A.L.R.4th 211.

Automobile liability insurance policy flight from police exclusion: validity and effect, 49 A.L.R.4th 325.

What constitutes “entering” or “alighting from” vehicle within meaning of insurance policy, or statute mandating insurance coverage, 59 A.L.R.4th 149.

What constitutes single accident or occurrence within liability policy limiting insurer’s liability to specified amount per accident or occurrence, 64 A.L.R.4th 668.

Hierarchy Notes:

O.C.G.A. Title 40

O.C.G.A. Title 40, Ch. 9

O.C.G.A. Title 40, Ch. 9, Art. 2

Official Code of Georgia Annotated
Copyright © 2025 All rights reserved.

[< Previous](#)

[Next >](#)



[About](#)

[Privacy Policy](#)

[Cookie Policy](#)

[Terms & Conditions](#)



Copyright © 2025 LexisNexis.